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Eric Johnson
U.S. Environmental Protection Agency
Region 8, 8ENF-T
999 18th Street, Suite 300
Denver, Colorado 80202-2466

RE: Progress report for November 2004 activities - Hecla Mining Company Apex Site (EPA ID No. UT982589848, Docket No. RCRA-8-99-06)

Dear Mr. Johnson:

Per paragraph 64 of the Order, enclosed is a copy of the November 2004 progress report for your records.

If you have any questions please do not hesitate to call me at (208) 769-4135 or e-mail at cgypton@hecla-mining.com.

Sincerely,

Chris Gypton
Project Manager

Encl

Cc: John Galbavy, Esq. (HMC) (w/o attachments)
John Jacus, Esq. (DG&S)



December 20, 2004

MEMORANDUM TO: Paul Glader

COPIES TO: file, distribution

FROM: Chris Gypton

SUBJECT: **Progress Report No. 7 for period ending November 30, 2004; Pond 2 Final Closure - Apex Site, Washington County, Utah**

Summary

Conditions at the site preclude completing the closure work this year. Intermittent, but heavy, rainfall in October made continued dewatering and evaporation impractical. Project activities were primarily active management of the existing seepage collection system, developing an upgrade for the dewatering and evaporation systems, and revising the budget and schedule.

The Hughes contract to construct the final cover was terminated, and will be re-bid in late winter to early spring next year. A separate contract was issued to Hughes to upgrade the existing evaporation cells.

The evaporation cells constructed in summer 2004 will be replaced with larger ones, and use a heavier liner. Additional dewatering collection piping and sumps will be installed to cover areas of the pond that were not directly drained by the system installed in July 2004.

The revised schedule assumes that management of the seepage collection system will be main activity through March 2005, however the dewatering sumps will be pumped out if it appears the conditions to evaporate this water are favorable. The winter wet season typically ends in late March to early April, so we plan to focus more on dewatering starting in April 2005. The water level in seepage collection ponds will be kept as low as possible in any case. Based on our observations of the evaporation rate in summer 2004, it is reasonable to set the target start of the final cover construction in late June 2005.

Major Issues

1. Heavy precipitation during last half of October – abnormal rainfall (6+ inches as compared to the historical average of 0.5 inches for the month of October) made conditions unsuitable for construction of the final cover. Weather in November was somewhat drier but site abnormal. The normal winter rains in December through March will not allow the excess water to be evaporated off to allow cover construction. Final cover installation must be deferred until May 2005, at the earliest.

Work Planned for Next Period

1. Continue management of the existing seepage collection system. Water collected in the system will be periodically pumped back to the impoundment and allowed to evaporate. The inventory of water in the seepage collection system will be kept to a practical minimum.
2. Upgrade the existing evaporation cells and collection sumps/piping. Improvements to the access to Pond 2 will also be done; this will consist of re-grading the road and topping it with gravel to provide a better footing for vehicles.

Work in Process

Procure Outside Services

1. A meeting was held with Hughes GC in Salt Lake on November 16th to review the scope of work for upgrading the existing evaporation cells and collection sumps/piping, plus site maintenance through winter and spring of next year. A contract for the improvement work was issued at the end of the month. The contractor will mobilize for this work on December 6th.
2. A separate contract will be issued to Hughes for the periodic site maintenance. This will consist of pumping out the seepage collection ponds as required. The contract will include provisions for a minimum payment to the contractor to ensure their personnel are "on call" in case heavy rain events require prompt pumping out of the ponds. Gila Management will also visit the site several times a month to review/document conditions.
3. Hughes' contract for construction of the final cover was terminated due to the change in project conditions. The work will be re-bid in later winter 2005. Contract termination costs totaled \$4,426; the costs associated with the HAZWOPR training for Hughes' personnel.
4. A rental agreement was established with Baker Tanks to provide portable storage tanks in the event heavy rain exceeded the capacity of the existing seepage collection ponds before the large evaporation cells could be constructed. Baker delivered one tank at our request, but conditions did not require its use. The equipment was removed from the site before the end of the month.

Procure Materials

1. A purchase order was issued to Western Tank & Lining for four (4) 200 ft X 100 ft UV stabilized synthetic lining panels. The materials were delivered to Hughes' yard in Salt Lake,

who will bring them to site when needed.

Contractor Submittals

1. No activity

Seepage Collection System Maintenance

1. The site was inspected eight times in the month. Water in the seepage collection ponds pumped into the evaporation cells as required.

Phase II Drain/Evaporate Excess Water

1. This activity was suspended the week of October 17th with the onset of the heavy rains.

Sampling and Analysis in Period

Material Characterization

1. No activity

Field Tests, Inspections & QA/QC

1. No activity

Cost and Schedule

Committed costs in November 2004 were approximately \$33,100. The majority of the expenditures were associated with management of the seepage collection system and procurement of materials to upgrade the evaporation cells. Total project to date committed is approximately \$267,300. Forecast cost at completion is now expected to be \$1,002,000.

The additional \$347,000, as compared to the May 2004 revised project budget, includes the following:

1. Additional overhead and field management expense due to the extended project schedule.
2. Seepage collection management through winter and spring 2005. This work will also include pumping out the dewatering sumps as conditions allow. All collected water will be evaporated on site.
3. Improving the dewatering piping and the evaporation cells. Larger evaporation cells will replace the ones constructed in summer 2004. Additional dewatering sumps and collection piping will be installed to provide drainage for areas of the pond not directly covered by the original system. The improvements will be completed by mid December.

The cost report for November is attached. Current status of the deliverables listed in the RCRA 7003 order is as follows:

Deliverable	Reference Paragraph	Due	Remarks
Post warning signage around perimeter of site	57	15 days after effective date of order	Work completed on March 9, 2004
Begin implementation of closure plan	63	45 days after receipt of filing of order	Work started on February 23, 2004
Monthly progress reports	64	28th day after close of month	Requirement in effect after order is filed.
Completion report	65	30 days after completion of all closure plan tasks	To be submitted within 30 days after work has been physically completed and all contracts closed out.

The update of the schedule milestones is on the following table:

Milestone	Target	Actual	Remarks
Issue bid package – Phase I (Sump Drains)	6/14/04	6/15/04	Portion of RFP materials issued at pre-bid on 6/14/04; remainder sent via courier
Issue RFP package – Phase III	6/24/04	6/24/04	
Award contract for Phase I	6/24/04	6/29/04	Date contract was shipped to Hughes
Pre-bid meeting – Phase III	7/19/04	7/19/04	
Start Phase I (Sump Drains) construction	7/12/04	7/19/04	
Start Phase II (Evaporation)	7/19/04	7/29/04	
Receive bids for Phase III	8/2/04	8/2/04	
Re-bid Phase III contract package	April 2005		
Start Phase III construction	June 2005		Revised target based on dewatering progress
Complete Phase III construction	August 2005		Revised target based on late PH III start

Supplemental Attachments

1. None

Apex Site
Pond 2 Final Closure
Project Cost Report

Activity	2004 Budget	Revised Budget May 2004	Committed Cost this Period	Cumulative Committed Cost To Date 9-30-04	Forecasted Cost To Complete	Forecasted Final Cost	Remarks on Forecast to Complete
Phase I - Drain Excess Liquid From Tailings							
Test wick program - Nilox		35,000		35,000	0	35,000	
Earthwork during wick test program		2,000		1,768	0	1,768	
Install drainage piping and sumps							
Contractor mobilization/demobilization		5,500		5,500	0	5,500	
Install sumps - material & labor		20,000		24,500	0	24,500	
Build surface evaporation ponds		2,700		838	0	838	
Remove existing evaporation ponds		2,000		0	0	0	Work moved to Phase III
Bury existing pond material & regrade		2,000		0	0	0	Work moved to Phase III
Survey monuments		3,500		1,160	500	1,660	One trip plus final report
Subtotal Phase I	189,200	72,700		68,768	500	69,268	
Phase II - Evaporate Excess Liquid							
Operate evaporation & pumping system		8,000		9,585		9,585	
Test pits to determine dewatering progress				1,320		1,320	
Upgrade evaporation cells & collection sumps			8,202	8,202	88,940	97,142	
Dewatering & seepage collection management			8,680	12,152	82,000	104,152	T&M labor + pump rental; November '04 through May '05
Subtotal Phase II	8,000	8,000	16,882	31,259	180,940	212,199	
Phase III - Regrading & Final Cover System							
Contractor mobilization/demobilization		20,000	4,426	4,426	37,600	42,026	
Excavate existing embankment		15,000		0	46,000	46,000	
Final grading of 1% surface		2,500		0	56,000	56,000	
Place barrier layer (GCL) - top		200,000		0	150,000	150,000	
Place barrier layer (GCL) - outcrops		50,000		0	0	0	Incl w/ GCL cover cost
Excavate diversion channel		9,100		0	37,000	37,000	
Place 12" protection layer on top surface		19,000		0	45,000	45,000	
Reconstruct outside embankment		7,350		0	0	0	Incl w/ excavation of existing embankment
Finish grade 1% surface - top		3,000		0	0	0	Incl w/ 12" protection layer
Place surface layer at outcrops (D50 = 1")		4,800		0	0	0	Incl w/ 12" protection layer
Recontour diversion channel for drainage		2,000		0	0	0	Incl w/ diversion channel exc
Place diversion channel erosion protection (3" rock)		3,800		0	0	0	Incl w/ diversion channel exc
Surveying - diversion channel drainage		2,500		0	0	0	Incl w/ diversion channel exc
Remove existing evaporation ponds		0		0	7,500	7,500	
Clear site for construction		3,000		0	3,000	3,000	
Performance & Payment Bond		0		0	4,500	4,500	
Subtotal Phase III	337,000	342,050	4,426	4,426	386,600	391,026	
Field Indirect Costs							
Construction Management labor		108,360	6,490	98,831	56,100	154,931	
Construction Management field expenses		38,575	2,073	19,551	38,900	58,451	
Field office trailer		6,525	165	1,673	1,985	3,658	
CQA testing		9,200		0	17,100	17,100	
CQA completion report		5,000		0	5,000	5,000	
Survey and layout		2,208		0	2,200	2,200	
Material classification tests		1,500		3,562	2,500	6,062	
Consulting Engineer		42,200		30,950	25,100	56,050	
Subtotal Consultants	164,500	213,568	8,728	154,566	148,885	303,451	
Hecia Costs							
Labor	15,500	15,500	2,723	7,290	13,000	20,290	
Travel expenses	3,200	3,200	309	969	4,600	5,569	
Subtotal Hecia Costs	18,700	18,700	3,032	8,259	17,600	25,859	
Total Pond 2 Final Closure	715,400	655,018	33,068	267,275	734,525	1,001,800	



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December 20, 2004

Sent via U.S. Mail

Glenn Rogers, Chairman.
Shivwits Band of Paiute Indian Tribe
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John Krause
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Dear Chairman Rogers, Mr. Krause and Ms. Hamlin:

Per paragraph 64 of the Order, enclosed is a copy of the November 2004 progress report for your records.

If you have any questions please do not hesitate to call me at (208) 769-4135 or e-mail at cgypton@hecla-mining.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Gypton".

Chris Gypton
Project Manager

Encl

Cc: John Galbavy, Esq. (HMC) (w/o attachments)
John Jacus, Esq. (DG&S) (w/o attachments)
Eric Johnson (USEPA, Region VIII) (w/o attachments)